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UNCLAS TEL AVIV 001591

STATE FOR NEA, NEA/IPA, NEA/PPD

WHITE HOUSE FOR PRESS OFFICE, SIT ROOM NSC FOR NEA STAFF

SECDEF WASHDC FOR USDP/ASD-PA/ASD-ISA HQ USAF FOR XOXX DA WASHDC FOR SASA JOINT STAFF WASHDC FOR PA CDR USCENTCOM MACDILL AFB FL FOR POLAD/USIA ADVISOR COMSOCEUR VAIHINGEN GE FOR PAO/POLAD COMSIXTHFLT FOR 019

JERUSALEM ALSO ICD LONDON ALSO FOR HKANONA AND POL PARIS ALSO FOR POL ROME FOR MFO

SIPDIS

E.O. 12958: N/A TAGS: OPRC KMDR IS

SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT: -----

Mideast

Key stories in the media:

In interviews with all major media, Barack Obama was quoted as saying that he will pursue a two-state solution and do everything in his power to stop Iran from becoming a nuclear power. He was quoted as saying that Jerusalem is the capital of Israel, but that its status should be determined by both sides. Israel Radio reported that both presidential candidates vowed to stop the Iranian nuclear

The Jerusalem Post reported that Israeli diplomatic officials told the newspaper this week that the U.S. is interested in having Israel and the Palestinians codify the progress in their talks up to now so there will be a lasting document to serve as the basis for further negotiations following the changeover of governments in Washington and -- possibly -- in Jerusalem. According to the officials, Secretary of State Condoleezza Rice will convene a trilateral meeting in Washington on July 30 or 31 with FM Tzipi Livni and the PA's chief negotiator, Ahmed Qurei. According to the officials, the document would be in lieu a finished "shelf agreementQ that President Bush had said at the Annapolis Conference he hoped to see before he left office in January 2009.

The Jerusalem Post reported on an expected report by U.S. security coordinator to Israel Gen. (ret.) James Jones. Contrary to earlier media reports claiming that the document will slam Israel for its policies in the territories, Israeli defense and diplomatic officials told The Jerusalem Post that the report would instead reflect supposed tension between Jones and another American security envoy operating in the region -- Lt. Gen. Keith Dayton. According to the defense official, the report would focus on the failure to establish an effective PA security apparatus and as a result would likely conclude that the chances of reaching a peace deal with the Palestinians by the end of 2008 were slim.

Maariv and Israel Radio reported on GOI plans to partially revive the Jordan Valley settlement of Maskiot, which were frozen a year and a half ago following U.S. pressure. The radio noted that the project still needs the Defense Minister's approval.

Israel Radio quoted the London-based Al-Hayat as saying that a breakthrough will soon be reached in the Israel-Syria talks. The radio quoted Syrian adviser Samir al-Taki as saying in Washington yesterday that his country has decided to reach a land-for-peace agreement with Israel. Al-Taki was quoted as saying that Syria could not ignore Israel. He conveyed similar message in an interview with The Jerusalem Post. The radio cited the Saudi newspaper Al-Watan as saying that the talks will resume next week.

The Jerusalem Post reported that information recently obtained by the Mossad and IDF Intelligence indicates that global jihad elements are working to recruit European and American nationals who have been indoctrinated with radical Islamic ideology to carry out attacks inside Israel.

Maariv recorded that in 2007 the settler population has increased by around 5.5% (15,000 people), as opposed to a 1.8% increase among Jews in Israel.

The Jerusalem Post reported that an elite IDF unit operating in Jenin on Tuesday found a large bomb planted in a car that was likely on its way to explode in an Israeli city.

The Jerusalem Post reported that yesterday a polygraph test supported an officer's claims that he did not order the shooting of a handcuffed Palestinian two weeks ago.

Maariv reported that the IDF has removed the soldiers who guarded the West Bank settlement of Yitzhar. The move occurred after the local brigade commander decided to suspend the settlement's defense coordinator in the wake of the attempted firing of a rocket at a Palestinian village by a yeshiva student.

Leading media reported that PM Ehud Olmert and his team have informed Attorney General Menachem Mazuz that they are willing to pass a lie detector test concerning the leaks of transcripts in the Talansky affair.

Ha'aretz quoted military experts as saying that the Iron Dome anti-Qassam rocket system will be ready in 2012.

Ha'aretz and Makor Rishon-Hatzofe reported that yesterday the Knesset's Foreign Affairs and Defense Committee approved granting more powers to the head of the National Security Headquarters (currently Danny Arditi). The proposal implements recommendations stemming from the aftermath of the Second Lebanon War.

Ha'aretz and The Jerusalem Post reported that yesterday the Anti-Defamation League condemned numerous cartoons that have appeared recently in the Arab press, portraying presumptive U.S. presidential candidates, Senators Barack Obama and John McCain, as lackeys controlled by Israel and by American Jews.

The Jerusalem Post quoted Construction and Housing Minister Zeev Boim as saying yesterday that American Jewish groups who lobby for increased immigration of the Falash Mura -- Ethiopians whose Jewish ancestors converted to Christianity -- to Israel are doing so "to earn money, collect donations and justify their existence," but are unwilling to bring these Ethiopians to their own communities in America.

Maariv reported that Likud MK Gilad Erdan has withdrawn a bill proposal forcing judges to ban publications in the media.

Mideast:

Cummari

Summary:

The independent, left-leaning Ha'aretz editorialized: "To survive as a Jewish and democratic state, Israel needs an American leader who does not fear the reaction of American Jews and non-Jews who do not believe in dividing the land to reconcile its two peoples."

Giora Eiland, the former head of Israel's National Security Council, wrote in the mass-circulation, pluralist Yediot Aharonot: "The only way to prevent another war is to make it clear that if it should break out, Lebanon could be destroyed to the very foundation."

The conservative, independent Jerusalem Post editorialized: "[Israel] must ... insist that if the UN and its members are serious about preventing a further degradation of the rule of international law, if international law is to regain any authority, the blatant anti-Israel bias must be dropped."

Block Quotes:

I. "An Agenda for a Friend of Israel"

The independent, left-leaning Ha'aretz editorialized (7/24): "Barack Obama came to Jerusalem to deliver an old message on the need to 'reaffirm the historic and special relationship between the United States and Israel, one that cannot be broken.' The hope is that Obama left Jerusalem and Ramallah with a deeper understanding of the need to shelve the flowery statements that his Jewish affairs advisors had devised for him, if he is to truly be a 'friend of One should keep in mind that the interests of the Israel lobby in America do not always jibe with Israel's interests. Instead of talking about a 'united Jerusalem,' he needs to become involved in finding a realistic solution for Israel's torn and bleeding capital. To survive as a Jewish and democratic state, Israel needs an American leader who does not fear the reaction of American Jews and non-Jews who do not believe in dividing the land to reconcile its two peoples. A friend of Israel, for example, would be a president who brings Syria and Israel to the negotiating room, and pours some real substance into Bush's statement about wanting to end the Israeli-Palestinian conflict.'

II. "Who's the Real Enemy?"

Giora Eiland, the former head of Israel's National Security Council, wrote in the mass-circulation, pluralist Yediot Aharonot (7/24): "Israel declared war on the wrong enemy and, therefore, it did not

win. It is impossible to beat an effective guerrilla organization when: (A) it operates from the territory of another country; (B) it enjoys the support and full backing of that country; (C) the country (Lebanon) is immune from Israeli reaction. If these are also the characteristics of the next war, we will lose. We will lose, because we will have agreed to take part in a game whose rules serve everyone: Hizbullah, the Lebanese government, the UN, France -- but not us. What is truly th reality in Lebanon? The reality is that Hizbulah and its 'opponents' are very coordinated in preenting a false facade, in which Hizbullah represets the 'bad guys' and the Lebanese government reresents the 'good guys.' If there is a war, Isrel will be 'permitted' only to fight the 'bad guys' but it will

be forbidden for it to damage the interests of the 'good guys.' The problem is that it will be almost impossible to harm the 'bad guys' alone, and the 'good guys' are immune from us. The 'good guys' and the 'bad guys' cooperate happily. The Lebanese government (and the people) have let Hizbullah become the ruler.... The only way to prevent another war is to make it clear that if it should break out, Lebanon could be destroyed to the very foundation.... If anyone had any doubt about the Lebanese governmentQs position, we can recall how the murderer Samir Kuntar was received by the Lebanese President and his cabinet ministers. Is this the message that Israel conveyed to the president of France during his last visit to Israel? It is doubtful. I presume that our senior representatives preferred to agree with the guest that Hizbullah are the 'bad guys' and the Lebanese government is the 'good guys.' As long as this is the message, we should not be surprised when we lose next time."

III. "Falk's Law"

The conservative, independent Jerusalem Post editorialized (7/24): "[Richard Falk, the UN's Special Rapporteur on the Occupied Palestinian Territories], has ... agitated for economic sanctions against Israel in the form of divestment campaigns; has charged that Israel is seeking to obliterate the existence of the Palestinian people'; and has said that Israeli policies vividly express a deliberate intention on the part of Israel and its allies to subject an entire human community to life-endangering conditions of utmost cruelty.' Falk has moreover rejected the characterization of Hamas as a terrorist organization, and has defended Palestinian terrorism as a 'right of resistance enjoyed by an occupied people when the occupying power ignored international law and refuses to withdraw.' None of this is new, of course.... But it is a mistake to pretend indifference; doing so only allows sour enemies ... to seize on international law as a club with which to beat Israel.... Israel cannot afford to ignore men like Falk.... It must instead insist that if the UN and its members are serious about preventing a further degradation of the rule of international law, if international law is to regain any authority, the blatant anti-Israel bias must be dropped.

MORENO